S. HRG. 99-812, ADDENDUM

REPORT OF THE SENATE IMPEACHMENT TRIAL COMMITTEE

HEARINGS

BEFORE THE

SENATE IMPEACHMENT TRIAL COMMITTEE UNITED STATES SENATE

NINETY-NINTH CONGRESS

SECOND SESSION

ON

THE IMPEACHMENT OF HARRY E. CLAIBORNE, JUDGE OF THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEVADA, OF HIGH CRIMES AND MISDEMEANORS

AUGUST 15 TO SEPTEMBER 23, 1986

ADDENDUM

Printed for the use of the Senate Impeachment Trial Committee

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APPENDIX

PART 2

COMMITTEE EXHIBIT 1

TRANSCRIPT OF JUDGE CLAIBORNE'S SECOND TRIAL

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APPELLATE DECISIONS FOLLOWING JUDGE CLAIBORNE'S SECOND TRIAL

United States of America, Plaintiff-Appellee, v. Harry Eugene Claiborne, Defendant-Appellant. No. 84-1009. United States Court of Appeals, Ninth Circuit. Argued and Submitted Feb. 24, 1984. Decided March 5, 1984; 727 Federal Reporter, 2d Series	1589-1598
Harry Eugene Claiborne, United States District Judge v. United States. No. A-725. March 12, 1984; Cite as 104 S. Ct. 1401 (1984)	1599-1600
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United States of America, Plaintiff-Appellee, v. Harry E. Claiborne, Defendant-Appellant, No. 84-1294. United States Court of Appeals, Ninth Circuit. Argued and Submitted March 26, 1985. Decided July 8, 1985; 765 Federal Reporter, 2d Series	1602-1623
United States v. Claiborne. No. 84-1294. United States Court of Appeals, Ninth Circuit. Dec. 30, 1985; Cite as 781 F.2d 1325 (9th Cir. 1985)	1624-1626
United States v. Claiborne. No. 84-1294. United States Court of Appeals, Ninth Circuit. Jan. 30, 1986; Cite as 781 F.2d 1327 (9th Cir. 1986)	1627-1634
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COMMITTEE EXHIBIT 3

TESTIMONY OF JUDGE CLAIBORNE AT HIS FIRST TRIAL

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Volume XII; 30 March 1984—9:30 A.M. Transcript of Trial 1638–1667
Volume XIII; 2 April 1984—9:30 A.M. Transcript of Trial 1668–1884
Volume XIV; 3 April 1984—9:30 A.M. Transcript of Trial 1885–1943
Volume XV; 4 April and 5 April 1984; Transcript of Trial 1944–1945

COMMITTEE EXHIBIT 4

POST-CONVICTION MOTIONS OF JUDGE CLAIBORNE AND THE UNITED STATES

Motion of Judge Claiborne (1) to vacate judgment and sentence; (2) for evidentiary hearing; and (3) for discovery proceedings. Received and Filed on May 5, 1986, in U.S. District Court for the District of Nevada 1964–2000
Government's Opposition to Defendant's Motion to vacate judgment and sentence and for evidentiary hearing and discovery. Received and Filed on May 8, 1986, in U.S. District Court for the District of Nevada 2001–2051

PART 4

COMMITTEE EXHIBIT 5

Handwritten analysis of Judge Claiborne's law practice, prepared by Jerry Watson 2053

COMMITTEE EXHIBIT 6

Handwritten workpaper prepared by Judge Claiborne, detailing income received in 1980 2223

COMMITTEE EXHIBIT 7

Form 1040, U.S. Individual Income Tax Return for 1981, signed by Judge Claiborne and Jerry Watson, and dated October 13, 1982. 2059

COMMITTEE EXHIBIT 8

Telegram from Jerry Watson to Steven Shaw dated June 14, 1983. 2075

COMMITTEE EXHIBIT 9

Affidavit of Annette Quintana, dated September 22, 1986. 2076

COMMITTEE EXHIBIT 10

Affidavit of Ellen Arthur, dated September 22, 1986. 2077

HOUSE MANAGERS EXHIBITS

Page

1. Check to Judge Claiborne from James Brown dated January 5, 1979, in the amount of $3381.10 2083
2. Check to Judge Claiborne from James Brown dated January 19, 1979, in the amount of $17,500 2084
3. Check to Judge Claiborne from James Brown dated January 26, 1979, in the amount of $833.33 2085
4. Check to Judge Claiborne from James Brown dated January 26, 1979, in the amount of $84.38 2086
5. Check to Judge Claiborne from James Brown dated February 15, 1979, in the amount of $1,106.66 2087
6. Check to Judge Claiborne from James Brown dated July 19, 1979, in the amount of $7,000 2088
7. Check to Judge Claiborne from James Brown dated August 31, 1979, in the amount of $2,905.90 2089
8. Check to Judge Claiborne from James Brown dated November 13, 1979, in the amount of $250 2090
9. Check to Judge Claiborne from James Brown dated November 23, 1979, in the amount of $3,011.56 2091
10. Check to Judge Claiborne from Annette Quintana dated January 16, 1979, in the amount of $1,000 2092
11. Check to Judge Claiborne from Annette Quintana dated February 12, 1979, in the amount of $1,000 2093
12. Check to Judge Claiborne from Annette Quintana dated March 9, 1979, in the amount of $1,000 2094
13. Check to Judge Claiborne from Annette Quintana dated April 12, 1979, in the amount of $1,000 2095
14. Check to Judge Claiborne from Annette Quintana dated May 14, 1979, in the amount of $1,000 2096
15. Form 1040, 1979 federal income tax return, signed by Judge Claiborne and Joseph Wright, dated June 15, 1980 2098
16. Financial disclosure form for the year 1970, filed with the Judicial Ethics Committee, signed by Judge Claiborne and dated May 14, 1980 2108
17. Handwritten memorandum written by Judge Claiborne and sent to Joseph Wright on or about March 1, 1980. This document contains marginal notations made by Mr. Wright later date 2110
18A. Letter from Joseph Wright to Stanwell Mortgage Company dated March 7, 1980 2111
18B. Letter from Joseph Wright to First Western Savings and Loan Association dated May 22, 1980 2112
18C. Letter from Joseph Wright to First National Bank of Nevada dated May 22, 1980 2113
19. Workpaper prepared by Joseph Wright on or about April 11, 1980, in connection with his preparation of Judge Claiborne's federal income tax filings 2115
20. Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return, prepared by Joseph Wright for Judge Claiborne, signed by Mr. Wright and dated, April 11, 1980 2106
21. Document containing financial information for 1979 written by Judge Claiborne and given to Joseph Wright after May 22, 1980, and before June 16, 1980 for use in Mr. Wright's preparation of Judge Claiborne's 1979 federal income tax return. The document also contains some handwritten information that was added by Mr. Wright after receipt 2114
22. Pages from a book in which Judge Claiborne recorded his legal fee collections for the years 1979–1981 2119

23. Check to Judge Claiborne from Peter Echeverria dated December 31, 1979, in the amount of $42,452.34 2128
24. Check to Judge Claiborne from James Brown dated August 6, 1980, in the amount of $888.30 2129
25. Check to Judge Claiborne from George DeRoy dated August 15, 1980, in the amount of $37,500 2130
26. Check to Judge Claiborne from James Brown dated November 7, 1980, in the amount of $7071.19 2131
27. Form 1040, 1980 federal income tax return, signed by Judge Claiborne and Jerry Watson and dated June 15, 1981 2134
28. Form 1040-ES, declaration voucher for 1980, signed by Judge Claiborne 2146
29. Check to the Internal Revenue Service from Judge Claiborne dated April 11, 1980, in the amount of $2,500 2147
30. Note handwritten by Judge Claiborne and sent to Frank Roth in August 1980 2148
31. Letter to Judge Claiborne from Jerry Watson dated August 6, 1981 2149
32. Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return signed by Judge Claiborne and dated April 13, 1981 2151
33. Refund check issued to Judge Claiborne for the year 1980 by the Internal Revenue Service dated July 24, 1981, in the amount of $44,256 2153
34. Form 1040, 1978 federal income tax return signed by Judge Claiborne and Joseph Wright and dated October 15, 1979 2155
35. Pages from Joseph Wright's diary for April, May, and June 1980 2173
36. Letter to Joseph Wright from Judge Claiborne dated April 11, 1980 2185
37. Copy of Judge Claiborne's 1980 federal income tax return with revised computations in the margin made by William Wilson, an expert witness for the House Managers 2186
38. Copy of Form 2119, Sale or Exchange of Principal Residence, for Judge Claiborne, recomputed by William Wilson, an expert witness for the House Managers 2192
39. A summary of income reported on Judge Claiborne's federal income tax return (Form 1040) for 1980 prepared by William Wilson, an expert witness for the House Managers 2200
40. Copy of Affidavit of Leo B. Halper 2201
41. List of eight cases involving tax issues that Judge Claiborne presided over (prepared by Senator Warner) 2207
42. Checking account statement for Judge Claiborne from Pioneer Bank for January and February 1979 and accompanying deposit slips for January 12, 1979 and February 2, 1979 2208
43. Political campaign mailing of Jerry Watson 2215

CLAIBORNE EXHIBITS

1. 1980 Judicial Ethics Financial Disclosure Form signed by Judge Claiborne and dated May 14, 1986 2220
3. Check to Internal Revenue Service from Judge Claiborne dated April 11, 1980, in the amount of $8,000 2222
10. Handwritten 6-page memorandum given to Jerry Watson by Judge Claiborne to use in preparation of Judge Claiborne's 1980 federal tax return. This document also contains handwritten notes made by Clarlotte Travaglia 2223
11. Form 1040-X, Amended U.S. Individual Income Tax Return for 1979, signed by Judge Claiborne and R. Paul Sorenson, dated March 11, 1983, with accompanying check to the Internal Revenue Service from Judge Claiborne dated March 11, 1983, in the amount of $10,126.04 2232
21. Affidavit of Ken Swanson 2234
22. Court order filed in the Nevada State Supreme Court on July 22, 1986, in the case of State Bar of Nevada v. Harry Eugene Claiborne 2235
23. Five memoranda, four by IRS special agent Donald Skelton dated February 16, 1983; February 17, 1983; March 30, 1983; May 11, 1983; and one by FBI agent Craig Bitterman dated January 10, 1983 2242
24. Transcript of United States Senate Judiciary Committee hearing on the nomination of Harry E. Claiborne to be a U.S. District Court Judge for the District of Nevada, dated August 8, 1978 2251

25. Pages from Internal Revenue Service Manual dealing with investigative procedures for IRS Special Agents 2289
27. Court order filed in Nevada State Supreme Court on September 16, 1986 in the case of State Bar of Nevada v. Harry Eugene Claiborne 2305
28. Series of newspaper articles about Judge Claiborne and the Strike Force... 2307

ADDENDUM

Rephotographed House Managers exhibit No. 27, Form 1040, 1980 Federal income tax return, signed by Judge Claiborne and Jerry Watson and dated June 15, 1981 2132-2145

Employer's name, address, and ZIP code

ADMINISTRATIVE OFFICE OF THE
U. S. COURTS 53-0197081 F
WASHINGTON D. C. 20544

09-NVX-LVJ

Calendar year: 1980

WAGE AND TAX STATEMENT

Copy B To be filed with employee's **FEDERAL** tax return

This information is being furnished to the IRS and appropriate State offices

Advance EIC payment

Employee's & Employer's Copy Compared ☐

Employee's social security number	Federal income tax withheld	Wages, tips, other compensation	FICA tax withheld	Total FICA wages
431-14-0100	17,847.96	54,499.92	.00	.00
		Pension plan coverage? Yes/No: NO		FICA tips: .00

Employee's name

HARRY E CLAIBORNE
300 LAS VEGAS BLVD S
3RD FLOOR
LAS VEGAS NV 89101

Employee's address and ZIP code

State or local tax withheld	State or local wages	State or locality
.00	54,499.92	
.00	.00	

The social security (FICA) rate of ____%, includes ____% for hospital insurance benefits and ____% for old age, survivors, and disability insurance.

Wage and Tax Statement

Department of the Treasury — Internal Revenue Service

1040 U.S. Individual Income Tax Return 1980

2921H781340I

For Privacy Act Notice, see Instructions. For the year January 1–December 31, 1980, or other tax year beginning , 1980, ending , 19

Use IRS label. Otherwise, please print or type.	Your first name and initial (if joint return, also give spouse's name and initial)	Last name	Your social security number
	MARY E.	CLAIBORNE	431 14 0100
	Present home address (number and street, including apartment number, or rural route)		Spouse's social security no.
	1908 PLAZA DE SE CRUZ		
	City, town or post office, State and ZIP code	Your occupation ▶ U.S. DISTR JUDGE	
	L.V., NV. 89102	Spouse's occupation ▶	

Presidential Election Campaign Fund

Do you want $1 to go to this fund? Yes [X] No [ ]

If joint return, does your spouse want $1 to go to this fund? Yes [ ] No [ ]

Note: Checking "Yes" will not increase your tax or reduce your refund.

Requested by Census Bureau for Revenue Sharing

A Where do you live (actual location of residence)? (See page 2 of Instructions.) State: NV City, village, borough, etc.: City. L.V

B Do you live within the legal limits of a city, village, etc.? [X] Yes [ ] No

C In what county do you live? Clark

D In what township do you live?

Filing Status (Check only one box.)

1 [X] Single

2 [ ] Married filing joint return (even if only one had income)

3 [ ] Married filing separate return. Enter spouse's social security no. above and full name here ▶

4 [ ] Head of household. (See page 6 of Instructions.) If qualifying person is your unmarried child, enter child's name ▶

5 [ ] Qualifying widow(er) with dependent child (Year spouse died ▶ 19). (See page 6 of Instructions.)

For IRS use only 2383477

Exemptions (Always check the box labeled Yourself. Check other boxes if they apply.)

6a	[X]	Yourself	[ ] 65 or over	[ ] Blind	Enter number of boxes checked on 6a and b ▶ 1
b	[ ]	Spouse	[ ] 65 or over	[ ] Blind	
c	First names of your dependent children who lived with you ▶				Enter number of children listed on 6c ▶

d Other dependents:

(1) Name	(2) Relationship	(3) Number of months lived in your home	(4) Did dependent have income of $1,000 or more?	(5) Did you provide more than one-half of dependent's support?

Enter number of other dependents ▶

Add numbers entered in boxes above ▶ 1

7 Total number of exemptions claimed

Income (Please attach Copy B of your Forms W-2 here. If you do not have a W-2, see page 5 of Instructions. Please attach check or money order here.)

RECEIVED OSC 289
JUN 16 1981
U.S. OGDEN UTAH

8	Wages, salaries, tips, etc.	8	54,500
9	Interest income (attach Schedule B if over $400)	9	2751
10a	Dividends (attach Schedule B if over $400) ..... 10b Exclusion		
c	Subtract line 10b from line 10a	10c	
11	Refunds of State and local income taxes (do not enter an amount unless you deducted those taxes in an earlier year—see page 9 of Instructions)	11	
12	Alimony received	12	
13	Business income or (loss) (attach Schedule C)	13	
14	Capital gain or (loss) (attach Schedule D)	14	(2,000)
15	40% of capital gain distributions not reported on line 14 (See page 9 of Instructions)	15	
16	Supplemental gains or (losses) (attach Form 4797)	16	
17	Fully taxable pensions and annuities not reported on line 18	17	
18	Pensions, annuities, rents, royalties, partnerships, etc. (attach Schedule E)	18	
19	Farm income or (loss) (attach Schedule F)	19	
20a	Unemployment compensation (insurance). Total received		
b	Taxable amount, if any, from worksheet on page 10 of Instructions	20b	
21	Other income (state nature and source—see page 10 of Instructions) ▶	21	
22	**Total income.** Add amounts in column for lines 8 through 21 ▶	22	54,251

Adjustments to Income (See Instructions on page 10)

23	Moving expense (attach Form 3903 or 3903F)	23		
24	Employee business expenses (attach Form 2106)	24		
25	Payments to an IRA (enter code from page 10 .....)	25		
26	Payments to a Keogh (H.R. 10) retirement plan	26		
27	Interest penalty on early withdrawal of savings	27	140	
28	Alimony paid LYNN CLAIBORNE	28	21,000	
29	Disability income exclusion (attach Form 2440)	29		
30	**Total adjustments.** Add lines 23 through 29 ▶			30 21,140

Adjusted Gross Income

31 **Adjusted gross income.** Subtract line 30 from line 22. If this line is less than $10,000, see "Earned Income Credit" (line 57) on pages 13 and 14 of Instructions. If you want IRS to figure your tax, see page 3 of Instructions ▶ 31 33,111

Form 1040 (1980) Page 2

Tax Computation (See Instructions on page 11)

32	Amount from line 31 (*adjusted gross income*)	32	
33	If you do not itemize deductions, enter zero. If you itemize, complete Schedule A (Form 1040) and enter the amount from Schedule A, line 41	33	26,061
	Caution: If you have unearned income and can be claimed as a dependent on your parent's return, check here ▶ ☐ and see page 11 of the Instructions. Also see page 11 of the Instructions if: • *You are married filing a separate return and your spouse itemizes deductions, OR* • *You file Form 4563, OR* • *You are a dual-status alien.*		
34	Subtract line 33 from line 32. Use the amount on line 34 to find your tax from the Tax Tables, or to figure your tax on Schedule TC, Part I. Use Schedule TC, Part I, and the Tax Rate Schedules ONLY if: • *Line 34 is more than $20,000 ($40,000 if you checked Filing Status Box 2 or 5), OR* • *You have more exemptions than are shown in the Tax Table for your filing status, OR* • *You use Schedule G or Form 4726 to figure your tax.* Otherwise, you MUST use the Tax Tables to find your tax.	34	11,050
35	Tax. Enter tax here and check if from ☒ Tax Tables or ☐ Schedule TC	35	1403
36	Additional taxes. (See page 12 of Instructions.) Enter here and check if from ☐ Form 4970, ☐ Form 4972, ☐ Form 5544, ☐ Form 5405, or ☐ Section 72(m)(5) penalty tax	36	
37	**Total.** Add lines 35 and 36 ▶	37	1403

Credits (See Instructions on page 12)

38	Credit for contributions to candidates for public office	38		
39	Credit for the elderly (*attach Schedules R&RP*)	39		
40	Credit for child and dependent care expenses (*attach Form 2441*)	40		
41	Investment credit (*attach Form 3468*)	41		
42	Foreign tax credit (*attach Form 1116*)	42		
43	Work incentive (WIN) credit (*attach Form 4874*)	43		
44	Jobs credit (*attach Form 5884*)	44		
45	Residential energy credits (*attach Form 5695*)	45	300	
46	**Total credits.** Add lines 38 through 45	46		300
47	**Balance.** Subtract line 46 from line 37 and enter difference (but not less than zero) ▶	47		1103

Other Taxes (Including Advance EIC Payments)

48	Self-employment tax (*attach Schedule SE*)	48	
49a	Minimum tax. Attach Form 4625 and check here ▶ ☐	49a	
49b	Alternative minimum tax. Attach Form 6251 and check here ▶ ☐	49b	
50	Tax from recomputing prior-year investment credit (*attach Form 4255*)	50	
51a	Social security (FICA) tax on tip income not reported to employer (*attach Form 4137*)	51a	
51b	Uncollected employee FICA and RRTA tax on tips (*from Form W–2*)	51b	
52	Tax on an IRA (*attach Form 5329*)	52	
53	Advance earned income credit (EIC) payments received (from Form W–2)	53	1098
54	**Balance.** Add lines 47 through 53	54	1103

Payments Attach Forms W–2, W–2G, and W–2P to front.

55	Total Federal income tax withheld	55	17,548	
56	1980 estimated tax payments and amount applied from 1979 return	56	4,182	
57	Earned income credit. If line 32 is under $10,000, see pages 13 and 14 of Instructions	57		
58	Amount paid with Form 4868	58		
59	Excess FICA and RRTA tax withheld (two or more employers)	59		
60	Credit for Federal tax on special fuels and oils (*attach Form 4136 or 4136–T*)	60		
61	Regulated Investment Company credit (*attach Form 2439*)	61		
62	**Total.** Add lines 55 through 61 ▶	62		22,030

Refund or Balance Due

63	If line 62 is larger than line 54, enter amount **OVERPAID**	63	20,927
64	Amount of line 63 to be **REFUNDED TO YOU**	64	20,927
65	Amount of line 63 to be applied to your 1981 estimated tax ▶ 20938	65	
66	If line 54 is larger than line 62, enter **BALANCE DUE.** Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number on check or money order ▶ (Check ▶ ☐ if Form 2210 (2210F) is attached. See page 15 of Instructions.) ▶ $	66	

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature 6-15-81 Date ▶ Spouse's signature (if filing jointly, BOTH must sign even if only one had income)

Paid Preparer's Use Only

Preparer's signature CREATIVE TAX PLANNING & FINANCIAL CONSULTING

Firm's name (or yours, if self-employed) 2700 E Desert Inn Rd #200 Las Vegas, Nevada 89109

Check if self-employed ▶ ☑ Preparer's social security no. 442 32 5333

E.I. No. ▶ 88 0152519

ZIP code ▶ 89109

I.D. 88-0152519

Schedules A&B—Itemized Deductions AND Interest and Dividend Income

(Form 1040) — 80

Department of the Treasury, Internal Revenue Service — ▶ Attach to Form 1040. ▶ See Instructions for Schedules A and B (Form 1040). — 08

Name(s) as shown on Form 1040: HARRY E CLAIBORNE

Your social security number: 431 14 0100

Schedule A—Itemized Deductions (Schedule B is on back)

Medical and Dental Expenses (not paid or reimbursed by insurance or otherwise) *(See page 16 of Instructions.)*

1 One-half (but not more than $150) of insurance premiums you paid for medical care. (Be sure to include in line 10 below.) ▶	150	
2 Medicine and drugs		
3 Enter 1% of Form 1040, line 31		
4 Subtract line 3 from line 2. If line 3 is more than line 2, enter zero		
5 Balance of insurance premiums for medical care not entered on line 1	1230	
6 Other medical and dental expenses:		
a Doctors, dentists, nurses, etc.		
b Hospitals		
c Other (itemize—include hearing aids, dentures, eyeglasses, transportation, etc.) ▶		
7 Total (add lines 4 through 6c)	1230	
8 Enter 3% of Form 1040, line 31	993	
9 Subtract line 8 from line 7. If line 8 is more than line 7, enter zero	237	
10 Total medical and dental expenses (add lines 1 and 9). Enter here and on line 33 ▶	387	

Taxes *(See page 17 of Instructions.)*

Note: Gasoline taxes are no longer deductible.

11 State and local income		
12 Real estate	8904	
13 General sales (see sales tax tables)	171	
14 Personal property		
15 Other (itemize) ▶		
16 Total taxes (add lines 11 through 15). Enter here and on line 34 ▶	9075	

Interest Expense *(See page 17 of Instructions.)*

17 Home mortgage (to banks, etc.)	6844	
18 Credit and charge cards		
19 Other (itemize) ▶ Standard Mtg Co.	8055	
20 Total interest expense (add lines 17 through 19). Enter here and on line 35 ▶	14,899	

Contributions *(See page 17 of Instructions.)*

21 a Cash contributions for which you have receipts or cancelled checks		
b Other cash contributions (show to whom you gave and how much you gave) ▶		
22 Other than cash (see page 17 of Instructions for required statement)		
23 Carryover from prior years		
24 Total contributions (add lines 21a through 23). Enter here and on line 36 ▶		

Casualty or Theft Loss(es) *(See page 18 of Instructions.)*

25 Loss before insurance reimbursement		
26 Insurance reimbursement		
27 Subtract line 26 from line 25. If line 26 is more than line 25, enter zero		
28 Enter $100 or amount from line 27, whichever is smaller		
29 Total casualty or theft loss(es) (subtract line 28 from line 27). Enter here and on line 37 ▶		

Miscellaneous Deductions *(See page 18 of Instructions.)*

30 Union dues		
31 Other (itemize) ▶		
32 Total miscellaneous deductions (add lines 30 and 31). Enter here and on line 38 ▶		

Summary of Itemized Deductions *(See page 19 of Instructions.)* — A

33 Total medical and dental—from line 10	387	
34 Total taxes—from line 16	9075	
35 Total interest—from line 20	14899	
36 Total contributions—from line 24		
37 Total casualty or theft loss(es)—from line 29		
38 Total miscellaneous—from line 32		
39 Add lines 33 through 38	24361	
40 If you checked Form 1040, Filing Status box: 2 or 5, enter $3,400; 1 or 4, enter $2,300; 3, enter $1,700	2300	
41 Subtract line 40 from line 39. Enter here and on Form 1040, line 33. (If line 40 is more than line 39, see the instructions for line 41 on page 19.) ▶	22,061	

Schedule 1040) 1980 **Schedule B—Interest and Dividend Income** Page 2

Name(s) Form 1040 (Do not enter name and social security number if shown on other side) Your social security number

HARRY E. THORNE 421 14 0100

Part I Interest Income

1 If you received more than $400 in interest, complete Part I and Part III. Please see page 8 of the instructions to find out what interest to report. Then answer the questions in Part III, below. If you received interest as a nominee for another, or you received or paid accrued interest on securities transferred between interest payment dates, please see page 19 of the instructions.

Name of payer	Amount
N.Y. State Ins Co	633
N.Y. " "	1773
N.Y. State Ins Co	345

SCHEDULE D (Form 1040)
Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

(Examples of property to be reported o
Schedule are gains and losses on stocks, bonds, and similar investments, and gains (bu. losses) on personal assets such as a home or jewelry.)
▶ Attach to Form 1040. ▶ See Instructions for Schedule D (Form 1040).

19**80**
15

Name(s) as shown on Form 1040: HARRY E. CHAIDORNE

Your social security number: 431 14 0100

Part I Short-term Capital Gains and Losses—Assets Held One Year or Less

D

a. Kind of property and description (Example, 100 shares 7% preferred of "Z" Co.)	b. Date acquired (Mo., day, yr.)	c. Date sold (Mo., day, yr.)	d. Gross sales price less expense of sale	e. Cost or other basis, as adjusted (see instructions page 21)	f. LOSS If column (e) is more than (d) subtract (d) from (e)	g. GAIN If column (d) is more than (e) subtract (e) from (d)
1 Acct Rec Fee Law Practice Left upon Sale of Corporation to Private Client Trust expense	1978					

2 Gain from sale or exchange of a principal residence held one year or less, from Form 2119, lines 7 or 11	2		
3 Enter your share of net short-term gain or (loss) from partnerships and fiduciaries	3		
4 Add lines 1, 2 and 3 in column f and column g	4		
5 Combine line 4, column f and line 4, column g and enter the net gain or (loss)		5	
6 Short-term capital loss carryover from years beginning after 1969		6	( )
7 Net short-term gain or (loss), combine lines 5 and 6		7	

Part II Long-term Capital Gains and Losses—Assets Held More Than One Year

8 Future Income	1978	1980	150,000	250,000	100,000	

9 Gain from sale or exchange of a principal residence held more than one year, from Form 2119, lines 7, 11, or 18	9		
10 Enter your share of net long-term gain or (loss) from partnerships and fiduciaries	10		
11 Add lines 8, 9 and 10 in column f and column g	11	100,000	
12 Combine line 11, column f and line 11, column g and enter the net gain or (loss)		12	(100,000)
13 Capital gain distributions		13	
14 Enter gain, if applicable, from Form 4797, line 5(a)(1)		14	
15 Enter your share of net long-term gain from small business corporations (Subchapter S)		15	
16 Combine lines 12 through 15		16	(100,000)
17 Long-term capital loss carryover from years beginning after 1969		17	( )
18 Net long-term gain or (loss), combine lines 16 and 17		18	(100,000)

Note: *If you have capital loss carryovers from years beginning before 1970, do not complete rest of form. See Form 4798 instead. Otherwise, complete this form on reverse.*

Schedule 1040 1980 Page 2

Part III Summary of Parts I and II

19 Combine lines 7 and 18, and enter the net gain or (loss) here	19	(100,000)
20 If line 19 shows a gain—		
a Enter 60% of line 18 or 60% of line 19, whichever is smaller. Enter zero if there is a loss or no entry on line 18	20a	
If the amount you enter on this line is other than zero, you may be liable for the alternative minimum tax. See Form 6251.		
b Subtract line 20a from line 19. Enter here and on Form 1040, line 14	20b	
21 If line 19 shows a loss—		
a Enter one of the following amounts: *(i)* If line 7 is zero or a net gain, enter 50% of line 19, *(ii)* If line 18 is zero or a net gain, enter line 19; or, *(iii)* If line 7 and line 18 are net losses, enter amount on line 7 added to 50% of the amount on line 18	21a	(50,000)
b Enter here and enter as a loss on Form 1040, line 14, the smallest of: *(i)* The amount on line 21a, *(ii)* $3,000 ($1,500 if married and filing a separate return); or, *(iii)* Taxable income, as adjusted	21b	(3,000)
Note: *If the loss on line 21a is more than the loss shown on line 21b, complete Part IV to determine post-1969 capital loss carryover from 1980 to 1981.*		

Part IV Computation of Post-1969 Capital Loss Carryovers from 1980 to 1981
(Complete this part if the loss on line 21a is more than the loss shown on line 21b)

Section A.—Short-term Capital Loss Carryover

22 Enter loss shown on line 7; if none, enter zero and skip lines 23 through 27—then go to line 28	22	
23 Enter gain shown on line 18. If that line is blank or shows a loss, enter zero	23	
24 Reduce any loss on line 22 to the extent of any gain on line 23	24	
25 Enter amount shown on line 21b	25	
26 Enter smaller of line 24 or 25	26	
27 Subtract line 26 from line 24	27	
Note: *The amount on line 27 is the part of your short-term capital loss carryover from 1980 to 1981 that is from years beginning after 1969.*		

Section B.—Long-term Capital Loss Carryover

28 Subtract line 26 from line 25. (**Note:** *if you skipped lines 23 through 27, enter amount from line 21b*)	28	3,000
29 Enter loss from line 18; if none, enter zero and skip lines 30 through 33	29	100,000
30 Enter gain shown on line 7. If that line is blank or shows a loss, enter zero	30	0
31 Reduce any loss on line 29 to the extent of any gain on line 30	31	100,000
32 Multiply amount on line 28 by 2	32	6,000
33 Subtract line 32 from line 31	33	94,000
Note: *The amount on line 33 is the part of your long-term capital loss carryover from 1980 to 1981 that is from years beginning after 1969.*		

☆ U.S. GOVERNMENT PRINTING OFFICE : 1980—O-313-085 —95-1998423

Form **2119**
Department of the Treasury
Internal Revenue Service

Sale or Exchange of Principal Residence

▶ See instructions on back.
▶ Attach to Form 1040.

1980
25

Note: *Do not include expenses you are deducting as moving expenses on Form 3903.*

Name(s) as shown on Form 1040: HARRY E CLAIBORNE
Your social security number: 431 14 0100

		Yes	No
1 (a)	Date former residence sold ▶ 9-23-80		
(b)	Have you ever postponed any gain on the sale or exchange of a principal residence?		X
(c)	Have you ever claimed a credit for purchase or construction of a new principal residence? (If "Yes," see Form 5405.)		X
(d)	If you were on active duty in the U.S. Armed Forces or outside of the U.S. after the date of sale of former residence, enter dates. From ____ to ____		
2 (a)	Date new residence was bought ▶ Built 1953		
(b)	If new residence was constructed by you, date construction began ▶		
(c)	Date you occupied new residence ▶ April 1980		
(d)	If you answered "Yes," to 1(c), did anyone live in your new replacement residence before you did?		X
(e)	Were both the old and new properties used as your principal residence?	X	
(f)	Were any rooms in either residence rented out or used for business at any time? (If "Yes," see note in line 7 and attach computation.)		X

Part I Computation of Gain and Adjusted Sales Price

3	Selling price of residence. (Do not include selling price of personal property items.)			3	726 000
4	Commissions and other expenses of sale			4	410 688
5	Amount realized (subtract line 4 from line 3)			5	314 812
6	Basis of residence sold	6	410 188		
7	Gain on sale (subtract line 6 from line 5). (If line 6 is more than line 5, enter zero and do not complete the rest of form.) If you bought another principal residence during the allowed replacement period or you elect the one time exclusion in Part III, continue with this form. Otherwise, enter the gain on Schedule D (Form 1040), line 2 or 9. If you intend to replace the residence within the allowed replacement period see instruction B.	7	314 812		
	Note: *Do not include in line 7 the amount attributable to rented rooms or other business purposes; instead, report separately on Form 4797.*				
8	Fixing-up expenses			8	—
9	Adjusted sales price (subtract line 8 from line 5)			9	314 812

Part II Computation of Gain to be Postponed and Adjusted Basis of New Residence

10	Cost of new residence	10	285 000
11	Gain taxable this year. (Subtract line 10 from line 9. Do not enter more than line 7.) If line 10 is more than line 9, enter zero. Enter any taxable gain on Schedule D (Form 1040), line 2 or 9. If you were 55 or over on the date of sale, see Part III	11	
12	Gain to be postponed (subtract line 11 from line 7)	12	
13	Adjusted basis of new residence (subtract line 12 from line 10)	13	

Part III Computation of Exclusion, Gain to be Reported, and Adjusted Basis of New Residence

		Yes	No
14 (a)	Were you 55 or over on date of sale?	X	
(b)	Was your spouse 55 or over on date of sale? (If you answered "No" to 14(a) and 14(b), do not complete the rest of form.)		
(c)	If you answered "Yes" to 14(a) or 14(b) did you own and use the property sold as your principal residence for a total of at least 3 years (except for short temporary absences) of the 5-year period before the sale? (If you are 65 or over, see instruction C.)	X	
(d)	If you answered "Yes" to 14(c), do you elect to take the once in a lifetime exclusion of the gain on the sale? (If "Yes," check yes box and complete the balance of Part III. If "No," return to Part II, line 12 above.)	X	
(e)	At time of sale, was the residence owned by: ☒ you, ☐ your spouse, ☐ both of you?		
(f)	Social security number of spouse, at time of sale, if different from number on Form 1040 ▶ ..... (Enter "none" if you were not married at time of sale.)		

15	Exclusion: Enter the smaller of line 7 or $100,000 ($50,000, if married filing separately)	15	100 000
16	Part of gain included (subtract line 15 from line 7)	16	214 812
17	Cost of new residence. If you did not buy a new principal residence, enter "None." Then enter the gain from line 16 on Schedule D (Form 1040), line 9, and do not complete the rest of Form 2119	17	285 000
18	Gain taxable this year. (Subtract the sum of lines 15 and 17 from line 9. The result cannot be more than line 16.) If line 17 plus line 15 is more than line 9, enter zero. Enter any taxable gain on Schedule D (Form 1040), line 9	18	0
19	Gain to be postponed (subtract line 18 from line 16)	19	214 812
20	Adjusted basis of new residence (subtract line 19 from line 17)	20	60 188

Instructions

General Instructions

A. Purpose of Form.—Use this form to report any gain on the sale of your principal residence whether or not you replace it with a new principal residence. A taxable gain must be reported on Schedule D (Form 1040). A loss is not deductible.

B. Postponement of Gain on Sale of Principal Residence.—Unless you elect to exclude it according to Instruction C, gain from the sale of your principal residence may have to be postponed if:

(1) within 18 months before or after the sale, you buy and occupy another principal residence; or

(2) before the sale or within 18 months after the sale, you begin construction of a new principal residence and occupy it within 18 months before and 2 years after the sale.

Use Parts I and II to figure the gain that must be postponed.

Note: *If you are on active duty in the U.S. Armed Forces for more than 90 days or living and working outside the United States, after the date of sale of your old residence, that time is not counted in figuring your replacement period. However, this replacement period is never permitted to extend beyond 4 years after the date of sale.*

Any gain postponed in the year you sell your old residence is subtracted from the cost of your new residence, giving you a lower cost basis in your new residence. If you sell the new residence in a later year and do not replace it, the postponed gain will be taxed in that year. However, see instruction C. If you do replace it, you may continue to postpone the gain.

Principal Residence.—Postponing gain applies only to the sale of your principal residence. Usually, the home in which you live is your principal residence. For example, this may be a house, houseboat, house trailer, cooperative apartment, or condominium.

If you have more than one residence, your principal residence is the one you physically occupy most of the time. If you change your principal residence more than once during the replacement period, only the last residence bought qualifies as your new residence for the purpose of postponing gain, unless you sold the residence because of a job relocation and are allowed a moving expense deduction.

If you plan to replace your residence but have not done so by the time you file your return, and the replacement period has not expired, attach Form 2119 to Form 1040 for the year of sale, but complete lines 1(a), 2(a), and 3 through 7 only. Indicate in question 2(a) of the form that you have not yet bought a replacement residence.

If you replace your residence after your return is filed but within the replacement period, and it costs you at least as much as the adjusted sales price of your old residence, you should notify by writing the Director of the Internal Revenue Service Center where you filed your return and attach another Form 2119.

If your new residence costs less than the adjusted sales price of your old residence, or if you do not buy or start construction of your new residence within 18 months from the date of sale of your old residence, you must file Form 1040X with attached Schedule D and a new Form 2119 for the year of sale showing the amount of the gain you are required to report. Interest will be charged on the additional tax due on this gain.

If you paid tax on the gain from the sale of your old residence, and buy and occupy a new residence within the replacement period, you should file Form 1040X with attached Form 2119 if you are entitled to a refund.

C. Exclusion of Gain on Sale of Residence.—If you sold your principal residence, you may elect to exclude from your income part or all of the gain on the sale if:

(1) you were 55 or over on the date of the sale;

(2) you owned and occupied your residence for periods totaling at least 3 years within the 5 year period ending on the date of sale; and

(3) neither you nor your spouse has previously elected this exclusion after July 26, 1978.

If you meet these requirements, you may elect to exclude up to $100,000 of your gain on the sale. If you are married filing separately, however, you may elect to exclude up to only $50,000 of gain on each separate return. Make the election in Part III of Form 2119. If you are 65 or over on the date of sale, you may substitute 5 of the last 8 years for 3 of the last 5 years.

The amount of gain excluded from your income is never taxed. The balance of the gain, in excess of the amount excluded, is taxed in the year of sale, unless you buy a new residence during the replacement period.

Generally, you may make or revoke an election to exclude gain on the sale of your principal residence at any time within 3 years from the due date, including extensions, of the return for the year the residence was sold. Use Form 1040X to amend your return.

If you and your spouse jointly hold the property and you file a joint return, only one of you must meet the age, ownership, and use requirements.

If the property is not jointly owned, only the spouse who owns the property must meet the requirements regardless of filing status on Form 1040.

If you are married at the time of sale, both you and your spouse must make the election to exclude the gain. If you do not file a joint return with that spouse, he or she must indicate consent to the election by writing in the bottom margin of Form 2119 or on an attached statement, "I consent to Part III election," and signing.

The election does not apply separately to you and your spouse. If you and your spouse make an election during marriage and later divorce, no further elections are available to either of you or to your new spouse if you remarry.

D. Consent of You and Your Spouse to Apply Separate Gain on Sale of Old Residence to Basis of New Residence.—Sometimes one spouse may own the old residence separately, but both spouses may own the new residence jointly (or vice versa). In such cases, the gain from the sale of the old residence on which tax is postponed and the resulting adjustment to the basis of the new residence may be divided between them. You and your spouse may make such a division only if:

(1) Both of you use the old and the new residences as your principal residence; and

(2) Both of you indicate consent in the bottom margin of Form 2119 or on an attached statement by writing: "We consent to have the basis of the new residence reduced by the gain on sale of the old residence." Both of you must sign this consent.

If both of you do not consent, you must determine the recognition of gain from the sale of the old residence in the regular way with no division.

Line-By-Line Instructions

Line 3. Selling Price of Residence.—Enter the amount of money you received, the amount of all notes, mortgages, or other liabilities to which the property was subject, and the fair market value of any other property you received.

Line 4. Commissions and Other Expenses of Sale.—This includes sales commissions, advertising expenses, attorney and legal fees, etc., incurred in order to sell the old residence. Loan charges, such as "loan placement fees" or "points" charged the seller, generally are selling expenses.

Line 6. Basis of Residence Sold.—This includes the original cost of the property, commissions, and other expenses incurred in its purchase, plus the cost of improvements. Subtract any depreciation allowed or allowable, any casualty loss taken on the residence, any energy credit taken, and the postponed gain on the sale or exchange of a previous principal residence. For more information, see **Publication 551,** Basis of Assets.

Line 8. Fixing-up Expenses.—These are decorating and repair expenses incurred only to assist the sale of the old property. They must have been incurred for work performed within 90 days before the contract to sell was signed, and must have been paid for not later than 30 days after the sale. Do not include capital expenditures for permanent improvements or replacements which are added to the basis of the property sold.

Note: *Fixing-up expenses are considered only in figuring adjusted sales price to determine the gain on which tax is postponed. They are not deductible in determining the actual profit on the sale of your old residence.*

Lines 10 and 17. Cost of New Residence.—The cost of your new residence includes one or more of the following:

(a) cash payments;

(b) the amount of any mortgage or other debt on the new residence;

(c) commissions and other purchase expenses you paid;

(d) construction costs (when you build your own residence) for the period beginning 18 months before and ending 2 years after the sale of the old residence; and

(e) if you buy rather than build your new residence, all capital expenditures made within 18 months before and 18 months after the sale of the old residence.

For more information, please get **Publication 523,** Tax Information on Selling Your Home, from most IRS offices.

☆ U.S. GOVERNMENT PRINTING OFFICE : 1980—O-313-148 E8430814328

Form **5695** — Department of the Treasury, Internal Revenue Service

Energy Credits

▶ Attach to Form 1040. ▶ See Instructions on back.

1980
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Name(s) as shown on Form 1040: GARY E. CLAIBORNE

Your social security number: 431 14 0100

Enter in the space below the address of your principal residence on which the credit is claimed if it is different from the address shown on Form 1040.

500 Rancho Rd.
Las Vegas, NV 89107

Part I **Fill in your energy conservation costs (but do not include repair or maintenance costs).**
If you have an energy credit carryover from a previous tax year and no energy savings costs this year, skip to Part III, line 16.

A. Answer the following question: Was your principal residence substantially completed before April 20, 1977? . . . ☒ Yes ☐ No

B. If you checked the "NO" box, you CANNOT claim an energy credit for conservation cost. Do NOT fill in lines 1 through 7 of this form.

1 Energy Conservation Items:			
a Insulation	1a	3100	
b Storm (or thermal) windows or doors	1b		
c Caulking or weatherstripping	1c		
d A furnace replacement burner that reduces the amount of fuel used	1d		
e A device for modifying flue openings to make a heating system more efficient	1e		
f An electrical or mechanical furnace ignition system that replaces a gas pilot light	1f		
g A thermostat with an automatic setback	1g		
h A meter that shows the cost of energy used	1h		
2 Total (add lines 1a through 1h)	2	3100	
3 Maximum amount	3	$2,000	00
4 Enter the total energy conservation costs for this residence from your 1978 and 1979 Form 5695, line 2	4	0	
5 Subtract line 4 from line 3 (If line 4 is more than line 3, do not complete any more of this part. You cannot claim any more energy conservation credit for this residence.)	5	2000	
6 Enter the amount on line 2 or line 5, whichever is less	6	2000	
7 Enter 15% of line 6 here and include in amount on line 15 below	7	300	

Part II **Fill in your renewable energy source costs (but do not include repair or maintenance costs).**
If you have an energy credit carryover from a previous tax year and no energy savings costs this year, skip to Part III, line 16.

8 Renewable Energy Source Items:			
a Solar	8a		
b Geothermal	8b		
c Wind	8c		
9 Total (add lines 8a through 8c)	9		
10 Maximum amount	10	$10,000	00
11 Enter the total renewable energy source costs for this residence from your 1978 Form 5695, line 5 and 1979 Form 5695, line 9	11		
12 Subtract line 11 from line 10 (If line 11 is more than line 10, do not complete any more of this part. You cannot claim any more renewable energy source cost credit for this residence.)	12		
13 Enter amount on line 9 or line 12, whichever is less	13		
14 Enter 40% of line 13 here and include in amount on line 15 below	14		

Part III **Fill in this part to figure the limitation**

15 Add line 7 and line 14. *If less than $10, enter zero*	15	300	
16 *Enter your energy credit carryover from a previous tax year*	16		
17 Add lines 15 and 16	17	300	
18 Enter the amount of tax shown on Form 1040, line 37	18	1403	
19 Add lines 38 through 44 from Form 1040 and enter the total	19		
20 Subtract line 19 from line 18. If zero or less, enter zero	20	1403	
21 Residential energy credit. Enter the amount on line 17 or line 20, whichever is less. Also, enter this amount on Form 1040, line 45	21	300	

General Instructions

Two energy credits make up the residential energy credit, each with its own conditions and limits. These credits are based on: (1) Costs for home energy conservation, and (2) Costs for renewable energy source property.

The credit is based on the cost of items installed in your principal residence after April 19, 1977, and before January 1, 1986. The cost of the items includes the cost of installing them.

Qualified expenditures financed with nontaxable Federal, State, or other grants cannot be used to figure the energy credit.

Purpose.—Use this form to figure your residential energy credit if you had qualified energy saving items installed in your principal residence. The instructions below list conditions you must meet to take the credit. If you have an energy credit carryover from the previous tax year and no energy saving costs this year, fill in only Part III of the form. Attach Form 5695 to your tax return. For more information, please get **Publication 903,** Energy Credits for Individuals.

What is your principal residence?—To qualify as your principal residence, your residence must meet all of the conditions below.

- It must be the home where you and your family live (you may own it or rent it from another person).
- It must be in the United States.

A summer or vacation home does not qualify.

If you live in a condominium or cooperative housing corporation dwelling unit, it may qualify. Please get **Publication 903** for more details.

If you and another person own and use different principal residences and share the cost of qualified energy conservation property or renewable energy source property intended for joint use, each of you may claim the energy credit as a separate taxpayer. Divide the amount of qualified expense among each person on the basis of their share of the contribution to the total cost. This type of expenditure is effective if made after April 1, 1980.

For energy conservation items to qualify, your principal residence must have been substantially completed before April 20, 1977. A dwelling unit is considered substantially completed when it can be used as a personal residence even though minor items remain unfinished.

Note: *You may claim the maximum credit on each principal residence you live in during the tax year. See the instructions for figuring the credit for more than one principal residence.*

What are energy saving items?—You can take the credit for two kinds of energy saving items: energy conservation items and renewable energy source items.

Energy conservation items are limited to:

- insulation (fiberglass, cellulose, etc.) for ceilings, walls, floors, roofs, water heaters, etc.
- storm (or thermal) windows or doors for the outside of your residence.
- caulking or weatherstripping for windows or doors for the outside of your residence.
- a furnace replacement burner that reduces the amount of fuels used.
- a device for modifying flue openings to make a heating system more efficient.
- an electrical or mechanical furnace ignition system that replaces a gas pilot light.
- a thermostat with an automatic setback.
- a meter that shows the cost of energy used.

To take the credit for an energy conservation item, you must:

- install them in your principal residence which was substantially completed before April 20, 1977,
- be the first one to use the item, and
- expect it to last at least 3 years.

The credit for energy conservation items cannot be more than $300.

Renewable energy source items include solar, wind, and geothermal energy items which heat or cool your principal residence or provide hot water or electricity for it.

Examples of solar energy items include:

- collectors,
- rockbeds,
- heat exchangers, and
- solar panels installed on roofs (including those installed as a roof or part of a roof).

An example of an item that uses wind energy is a windmill that produces energy in any form (usually electricity) for your residence.

To take the credit for a renewable energy source item, you must:

- be the first one to use the item, and
- expect it to last at least 5 years.

The credit for renewable energy source items cannot be more than $4,000.

What items are NOT eligible for the energy credit?—You cannot take the credit for items such as the following:

- carpeting;
- drapes;
- wood paneling;
- wood or peat-burning stoves;
- hydrogen fueled residential equipment;
- siding for the outside of your residence;
- heat pump (both air and water);
- fluorescent replacement lighting system;
- replacement boilers and furnaces, and
- swimming pools used to store energy.

Figuring the credit for more than one principal residence.—You can take the maximum credit for each principal residence you live in. If you use all of your credit for one residence and then move, you may take the maximum credit amount on your next residence.

For example, if you sold your principal residence in May of 1980 and bought another in June, you would be entitled to take up to $300 credit on each residence for energy conservation items.

To figure your allowable 1980 energy credit for more than one principal residence, follow these instructions:

(1) Fill out Part I or II on a separate Form 5695 for each principal residence.

(2) Enter the total of all parts on line 15 of one of the forms.

(3) In the space above line 15, write "More than one principal residence."

(4) Attach all forms to your return.

Caution: *You should keep a copy of each Form 5695 that you file for your records. For example, if you sell your principal residence, you will need to know the amount of the credit claimed in prior tax years. You must reduce the basis of your principal residence by the amount of energy credit taken against your tax, if the items for which the credit is taken are a proper increase to the basis.*

What to do with an energy credit when it's more than your tax.—If your credit for this year is more than your tax minus certain other credits, you can carry over the excess energy credit to the following tax year.

Carryover for tax year in which the alternative minimum tax applies.—If the alternative minimum tax applies, you may not receive the full tax benefit for the energy credit claimed during the tax year. If so, the amount of the energy credit benefit you lose is eligible for carryover. See **Publication 525,** Taxable and Nontaxable Income, for more details.

Specific Instructions

Part I, lines 1a through 1h (insulation, storm (or thermal) windows or doors, caulking or weatherstripping, etc.).—Enter your energy conservation costs only for this tax year. Count the cost of the item and its installation in or on your principal residence. Do not include the cost of repairs or maintenance for energy conservation items.

Part I, line 4.—Enter your total energy conservation costs from 1978 and 1979 for this principal residence. If you had energy conservation costs in the previous tax year but could not take a credit because it was less than $10, enter zero.

Part II, lines 8a through 8c (solar, geothermal, and wind).—Enter your renewable energy source costs only for this tax year. Count the cost of the item and the cost of labor for its assembly, preparation, and installation in connection with your principal residence. Do not include the cost of repairs or maintenance for renewable energy source items.

Part II, line 11.—Enter your total renewable energy source costs from 1978 and 1979 for this principal residence. If you had renewable energy source costs in the previous tax year but could not take a credit because it was less than $10, enter zero.

Part III.—The amount of your energy credit is limited to your tax less other credits. If you have an amount on line 17 which is more than line 20, you can carry over the excess energy credit to the next tax year.

Part III, line 16.—If your tax for the previous tax year was less than the amount of energy credit, you have a credit carryover to this tax year. Enter the carryover amount on this line.

☆ U.S. GOVERNMENT PRINTING OFFICE : 1980—O-313-217 80-0875140

Supplement to { Form 2119 / Schedule / Statement } STATEMENT BL3 53

Year 1980 Name

(6) cont				
Rent (Tire Treatment	600.			
Wallpaper & Decorating	4100			
Chandeliers, New Lights, etc	7400			
Mirrored & Panel, trim	5100			
Insulation	3100			
Remodeling, Decorating, etc	15 000			
Cost of Land (2½ acres)	13,500			
Survey	650			
Paint Race track on Land	5,000			
Well Drilled	1,000			
2½ acres underground sprinkler Syst	7,100			
Fencing	3,700			
Graded	1400			
Corrals	2100			
Basis of Res Sold	362,800		362,800	
(7) Gain on Sale			314,812	
(10) Cost of New Resid			285,000	
" Gain Taxable this years			29,812	
(Recap: 60% * is 11,925 to Cap Gain				
or Exclude 2 yrs Basis, Gross Hom...				
would be * 255,188.)				
677612 Net After Commission				
362800 Cost of Improvements				
314812				

Year 1980 Supplement to 500 Rancho Rd. { Form 2119 / Schedule / Statement } STATEMENT BL-3 53

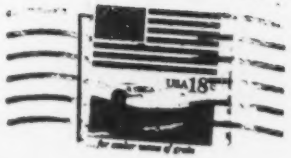
Name Claiborne Harry E.

Sale/or Exchange of PRINCIPAL RESIDENCE:				
Part I, Line 2				
(3) Selling PRICE - Land	$ 275,000			
- Home	450,000			
	$ 725,000			
(4) Comm & other Exp of Sale	- 19,706			
" " "	- 27,682			
(5)	$ 677,612		677,612	
(6) Basis of Prin Res:				
Purch Land 1951 (2½ Acres)	$ 8,100			
Built House on Land 1953	65,000			
Stables & Riding Ring 1956	6,400			
Remodel - Den & 2 Baths 1962	16,500			
" Wet Bar, Kit & DR 1960	25,000			
" Entry Room 1976	27,800			
" Brick Drive 1977	14,200			
Well Drilled 1954	1,100			
Pump Shed "	640			
" " 1963	1,420			
Turbine Irrig Pump 1970	2,140			
Pool 1958	15,800			
Guest House 1965	17,500			
Pool Bldg 1969	12,800			
Add'l Area on Pool 1972	4,500			
Tennis Court 1962	6,150			
Landscaping 1973	6,300			
" & Horse Fence Repairs	4,000			
Sprinkler System	2,500			
Sidewalks / Fences	3,600			
Patio & Trellis	3,800			
Ornamental Iron & Brick	—			
Fence, Patio, etc	3,150			
Air Condit	3,600			
Carpeting	9,100			
Drapes	10,500			
Fixtures	4,600			
Lit. & Floor Lamps	4,800			

(Please Print)

CREATIVE TAX PLANNING
~~LAMB-WATSON CONSULTING~~
1700 E. Desert Inn Rd. #412
Las Vegas, Nevada 89109
I.D. 88-0152519

Form 1040 [redacted]



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Internal Revenue Service Center
Ogden, UT **84201**

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